

Section 7: Department of Health and Human Services

In FY 2010, the Department of Health and Human Services received \$82.3 billion in discretionary funding, a 6.5 percent increase over last year's non-emergency discretionary level.

This amendment would rescind \$4.1 billion (five percent) from the Department and direct the Secretary to eliminate and consolidate more than 36 duplicative programs at the Department and eliminate waste to produce savings.

Duplicative HHS Programs

Public Health Improvement (Facilities and Other Projects)

The Department of Health and Human Services (HHS) operates a non-competitive grant program through the Health Resources and Services Administration (HRSA) for "health care facilities and activities." The program is funded at \$338 million annually and significantly duplicates existing efforts within both HRSA and HHS.

According to the Office of Management and Budget (OMB), this program is "highly duplicative of other Federal, state, and private efforts," and provides funding to "organizations that also receive funds for the same purpose through other **HRSA programs, Medicare and Medicaid capital payments, the National Institutes of Health (NIH), the Federal Housing Administration, and the U.S. Department of Agriculture.**"¹ According to GAO, eight agencies administer 29 programs that can be used to construct or renovate nonresidential buildings.

- NIH has provided billions for duplicative facilities-related expenses. In 2005, OMB reported that NIH spent \$2.5 billion on these activities, and their review found **that six organizations that received funding from HRSA's public health improvement fund also received facilities funding from NIH's National Cancer Institute.** More recently, the stimulus package provided \$1.3 billion to "to construct, renovate, or repair existing non-federal research facilities."

¹ Office of Management in Budget, "Detailed Information on the Health Care Facilities Construction and Other Miscellaneous Congressional Earmarks Assessment," [expectmore.gov](http://www.whitehouse.gov/omb/expectmore/detail/10003514.2005.html), accessed January 5, 2010 at <http://www.whitehouse.gov/omb/expectmore/detail/10003514.2005.html>.

- The **Federal Housing Administration (FHA)** helps hospitals and nursing homes access affordable financing for capital projects. In FY2009, FHA spent \$3.4 billion to finance health care facilities.²
- The U.S. Department of Agriculture’s **Rural Development Community Facilities Program** awards direct loans and grants to community organizations in rural areas. The program is funded at **\$54 million** annually, and according to OMB has provided over \$390 million in loans to health care organizations. USDA has awarded funds or provided loans to hospitals, dental clinics, nursing homes, and doctor’s offices.³

Federal Obesity Programs

A 2004 report by a non-profit research group listed 21 federal programs, across multiple agencies, many at HHS, that funded childhood obesity programs— either as the main focus or as one component of the federal program.^[1]

- The **Department of Education’s Carol M. White Physical Education Program (PEP)**, which received \$76 million in FY09^[2], provides grants to local education associations and community-based organizations “to initiate, expand, or enhance physical education programs, including after-school programs, for students in kindergarten through 12th grade.”^[3]
- CDC’s **State Nutrition and Physical Activity Programs to Prevent Obesity and Related Chronic Diseases** is funded at \$45 million for FY10.^[8] It funds programs in 25 states designed to prevent obesity

² Provided by the Congressional Research Service.

³ www.rurdev.usda.gov/rhs/cf/cp_dir_grant.htm

^[1] “Financing Childhood Obesity Prevention Programs: FEDERAL FUNDING SOURCES AND OTHER STRATEGIES FINANCING STRATEGIES,” The Finance Project, September 2004, <http://www.financeproject.org/publications/obesityprevention.pdf>.

^[2] <http://www.whitehouse.gov/omb/expectmore/detail/10003313.2005.html>; The Sporting Goods Manufacturers Association report the program received \$78 million in FY09 (\$2 million more than OMB’s figure), <https://www.sgma.com/getinvolved.sgma.com/PEP>.

^[3] <http://www.ed.gov/programs/whitephysed/index.html>.

^[8] FY10 Consolidated Appropriations Conference Report \$44.99 million, http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:hr366.111.pdf; FY09 Appropriations \$44.3 million, http://www.cdc.gov/fmo/topic/Budget%20Information/appropriations_budget_form_pdf/FY2010_CDC_CJ_Final.pdf; <http://www.cdc.gov/obesity/index.html>.

and promote healthy lifestyle habits “through a variety of nutrition and physical activity strategies.”^[9]

- **CDC's Healthy Communities Program's (formerly the Steps Program)**, funded at \$22.8 million in FY10, “is engaging communities and mobilizing national networks to focus on chronic disease prevention” by focusing on heart disease, stroke, diabetes, cancer, obesity, and arthritis, for example.^[10]
- **CDC's Preventive Health and Human Services Block Grant** received \$102 million in FY09^[11] and \$97.3 million in FY08 of which CDC specifically lists \$3.5 million in FY08 for “nutrition/overweight.”^[12] CDC notes the grants support “approximately 32 states to create intervention strategies to improve individual lifestyle behaviors regarding nutrition, physical activity, diabetes, and cardiovascular disease” and also fund such activities as “Implementing walking trails and walking programs.”^[13]
- **HHS's Office of Minority Health funds a Community Partnerships to Eliminate Health Disparities Demonstration Grant Program**^[15] receives approximately \$6 million a year. In 2007, approximately two dozen entities received three-year grants worth between \$200,000 and \$250,000 each per year. The Community Partnerships Program “is designed to support activities that address, and will subsequently eliminate, racial and ethnic health disparities through community-level activities that promote health, reduce risks, and increase access to and utilization of preventive health care and treatment services.” Obesity is included among eligible focus areas for the grants.^[16]
- **USDA's Children, Youth, and Families (CYFAR) at Risk Sustainable Community Projects**, funded at \$800,000 for FY 2010, seeks “to marshal resources of the Land-Grant and Cooperative Extension Systems to develop and deliver educational programs that

^[9] <http://www.cdc.gov/obesity/index.html>.

^[10] <http://www.cdc.gov/healthycommunitiesprogram/overview/index.htm>; FY10 Consolidated Appropriations Conference Report (accompanying H.R. 3288, <http://www.congress.gov/cgi-lis/cpquery/R?cp111:FLD010:@1%28hr366%29>;

^[11] http://www.cdc.gov/fmo/topic/Budget%20Information/appropriations_budget_form_pdf/FY2010_CDC_CJ_Final.pdf, page 344.

^[12] <http://www.cdc.gov/nccdphp/blockgrant/history.htm>; <http://www.cdc.gov/nccdphp/blockgrant/index.htm>.

^[13] <http://www.cdc.gov/nccdphp/blockgrant/faqs.htm>.

^[15] <http://raceandhealth.hhs.gov/Assets/static/HDHTML.html>; <http://raceandhealth.hhs.gov/templates/content.aspx?ID=5104>

^[16] <http://www.financeproject.org/publications/obesityprevention.pdf>.

equip limited resource families and youth who are at-risk for not meeting basic human needs with the skills they need to lead positive, productive, contributing lives.”^[17] Physical fitness, nutrition, and general health and wellness initiatives are among those eligible, with numerous states reporting funding efforts to address overweight youth.^[18]

- USDA’s **Team Nutrition**, a \$15 million a year^[19] initiative of the USDA Food and Nutrition Service, offers funding to state agencies to deliver new and innovative nutrition training programs and technical assistance for food service professionals, children and their parents, school and childcare administrators, and other school and community partners for healthy eating and physical activity.^[20]
- HRSA’s **Community Health Centers Program**, which received an estimated \$1.9 billion in FY 09, funds the country’s community health facilities through 1) Community Health Centers; (2) Migrant Health Centers; (3) Health Care for the Homeless; and (4) Public Housing Primary Care Program.^[21] Many of the funds provided to these health facilities pay for the treatment of chronic diseases like obesity and nutrition.^[22]

Nursing Programs

HRSA administers no fewer than six duplicative nursing workforce programs, totaling \$145 million. Each of these programs are ultimately designed to address our nation’s nursing shortage. HRSA’s duplicative efforts in this area include:

^[17] http://www.csrees.usda.gov/nea/family/in_focus/youthdev_if_cyfar.html;

<http://www.csrees.usda.gov/fo/childrenyouthfamiliesustainablecommunityprojects.cfm>.

^[18] Mississippi: <http://cyfarreporting.cyfernet.org/public/statereport.aspx?pid=1578>; Kansas:

<http://cyfarreporting.cyfernet.org/public/statereport.aspx?pid=1556>;

<http://www.financeproject.org/publications/obesityprevention.pdf>.

^[19] USDA FY09 Congressional Budget Justification, pdf page 14, <http://www.obpa.usda.gov/26fns2010notes.pdf>. In FY04, this program was funded at \$4 million, which means funding has more than tripled in five years,

<http://www.financeproject.org/publications/obesityprevention.pdf>.

^[20] <http://www.fns.usda.gov/tn>; <http://www.financeproject.org/publications/obesityprevention.pdf>.

^[21] <http://www.federalgrantswire.com/community-health-centers.html>.

^[22] <http://bphc.hrsa.gov/needforassistance/dataresourceguide.htm>;

<http://www.financeproject.org/publications/obesityprevention.pdf>;

http://www.apru.org/awi/workshops/public_health2009/ppt/6-3TanyaRaggio.pdf.

- **Nurse Education, Practice, and Retention Grants.** The purpose of the Nurse Education, Practice and Retention (NEPR) Program is to strengthen capacity for basic nurse education and practice.
- **Loan Repayments Scholarships.** The Nursing Education Loan Repayment Program (NELRP) provides loan repayments in exchange for working in health care facilities with an identified need. In addition to duplicating other nursing programs at HRSA, this program is duplicative with other loan forgiveness and repayment programs within the Department of Education.
- **Nursing Workforce Diversity.** This program funds projects for individuals from disadvantaged backgrounds (including racial and ethnic minorities “underrepresented” among registered nurses) through student stipends, pre-entry preparation and retention activities in nursing schools, pre-nursing programs, and elementary and secondary schools.
- **Comprehensive Geriatric Education.** This program funds training, curriculum development, faculty development and continuing education for nursing personnel who care for the elderly.
- **Advanced Education Nursing Programs.** These programs include general support for advanced education programs, support for individuals preparing for nursing fields requiring advanced education, and nurses training to become anesthetists.
- **Nurse Faculty Loan Program.** This program funds schools of nursing to establish and operate a loan fund to assist registered nurses complete their education to become nursing faculty.

Health Information Technology

HHS’s **Agency for Health Care Research and Quality** has a grant program, funded at \$27.65 million, for the purpose of “developing and disseminating evidence-based tools to inform policy and practice on how health IT can improve the quality of American health care.” In 2008, the Office of Management and Budget found that the program could not demonstrate any results, stating that “The program lacks performance

measures to gauge how well it is developing and disseminating research on how health IT can improve the quality of health care.”

In addition, the program is duplicative of other HHS efforts, including \$15 million in HHS funding provided in FY 2010 to **rural hospitals for health IT**, and another \$42.3 million being spent by the **Office of National Coordinator for Health IT** to develop and advance health information technology.

HHS Waste and Mismanagement

HHS ends each fiscal year with billions of dollars in unspent and unobligated funds. In 2009, the total amount of unobligated HHS funds is projected to be approximately \$3.7 billion.

HHS made more than \$912 million in improper payments in fiscal year 2009. This includes \$624 million in the Child Care and Development Fund, \$75 million under Title IV-E Foster Care, and \$213 million under Head Start.

The agency spent \$215 million on travel costs in 2008. This includes the cost of rental cars, hotels and airline tickets. HHS spent at least \$349 million on conferences between 2000 and 2006, an annual on average loss of \$58 million to taxpayers.

Congress has tripled the budget of the National Institutes of Health (NIH) from \$13.7 billion in 1998 to an expected \$40 billion in 2009 to advance our knowledge of science, reduce the burdens of illness, and discover cures for disease and disabilities. Yet, millions of dollars are misspent every year for less noble research projects.

The Food and Drug Administration (FDA) spent \$41,030 on a contract to provide employee gift cards. The gift cards are used in addition to formal performance-related bonuses. Last year, FDA awarded hefty bonuses amounting to \$35 million to senior executives at a time when it faced a budget crunch.

NIH is spending \$783,000 to pay malt liquor and marijuana users to keep a daily record of their substance abuse habits.

The National Institute of Alcohol Abuse and Alcoholism (NIAA) is spending \$2.6 million to train Chinese prostitutes to drink responsibly on the job.

The National Institute of Child Health and Human Development spent \$423,500 to find out why men do not like to wear condoms.